

## Message Text

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ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-05 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-02 PRS-01 SP-02

SS-15 USIA-15 AID-05 COME-00 EB-08 FRB-01 XMB-04

OPIC-06 LAB-04 SIL-01 OMB-01 STR-05 AGRE-00 /117 W

-----038017 301222Z /10

R 300627Z DEC 77

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 3988

TREASURY DEPT WASHDC

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

UNCLAS TOKYO 20027

USEEC

USOECN ALSO FOR EMBASSY

E.O. 11652: N/A

TAGS: EFIN, JA

SUBJECT: CABINET APPROVES JFY 1978 BUDGET

REF: TOKYO 19718

1. SUMMARY: CABINET MINISTERS APPROVED DEC 29 JFY 1978 BUDGET PROPOSALS, WHICH ARE EXPECTED TO BE INTRODUCED TO THE DIET IN JANUARY NEXT YEAR. THE FOLLOWING TABLES GIVE DETAILS OF THE CABINET-APPROVED BUDGETS. TOTAL GENERAL ACCOUNT BUDGET EXPENDITURE REMAINS UNCHANGED FROM PREVIOUSLY TRANSMITTED MINISTRY OF FINANCE (MOF) PROPOSAL (34.3 TRILLION YEN (\$143 BIL), UP 20.3 PERCENT OVER THE INITIAL BUDGET OUTLAY FOR CURRENT FISCAL YEAR), AS DOES GENERAL ACCOUNT BUDGET DEFICIT (11 TRILLION YEN). AS IS USUAL, HOWEVER, THE INTER-  
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MINISTERIAL NEGOTIATIONS LED TO UPWARD REVISIONS IN THE FISCAL LOAN AND INVESTMENT PROGRAM ALLOCATIONS. THEY WERE REVISED SHARPLY UPWARD, BY 845 BIL YEN, TO TOTAL 14.9 TRILLION YEN (ABOUT \$62 BIL, UP 18.7 PERCENT OVER THE INITIAL OUTLAY FOR JFY 1977. THIS COMPARES WITH THE 12 PERCENT GROWTH PROPOSED BY MOF (REFTEL). WITHIN THE CABINET-APPROVED GENERAL ACCOUNT BUDGET OUTLAY, FUNDS NOT ALLOCATED

AT THE TIME OF MOF BUDGET PROPOSAL OF 100 BIL YEN HAVE BEEN SPREAD OVER VARIOUS PROGRAMS SUCH AS SOCIAL SECURITY, PENSIONS, AND ECONOMIC COOPERATION. BUDGET OUTLAWY FOR PUBLIC WORKS AND NATIONAL DEFENSE, HOWEVER, REMAINED UNCHANGED FROM MOF PROPOSAL. END SUMMARY.

2. FOLLOWING ARE GENERAL ACCOUNT BUDGET EXPENDITURES BY FUNCTION FOR JFY 1978 APPROVED BY CABINET MINISTERS ON DEC 29 (IN BIL YEN).

	MOF PROPOSAL	GOJ PROPOSAL
TOTAL:	34,295	34,295
SOCIAL SECURITY	6,752	6,781
EDUCATION AND SCIENCE	3,800	3,852
NATIONAL DEBT	3,195	3,223
PENSIONS AND OTHER	1,280	1,329
LOCAL FINANCE	5,849	5,849
NATIONAL DEFENSE	1,901	1,901
PUBLIC WORKS	5,450	5,450
ECONOMIC COOPERATION	244	263
OTHERS	5,224	5,147
RESERVES	500	500
FUNDS NOT YET ALLOCATED	100	0

3. FOLLOWING TABLES SHOWS FISCAL LOAN AND INVESTMENT PROGRAM ALLOCATIONS BY FUNCTION FOR JFY 1978 APPROVED BY CABINET MINISTERS ON DEC 28 (IN BIL YEN):  
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	MOF PROPOSAL	GOJ PROPOSAL
TOTAL:	14,043	14,888
HOUSING	3,497	3,677
WATER SUPPLY, SEWERS AND OTHER UTILITIES	2,048	2,214
WELFARE	477	486
EDUCATION	631	703
AID TO SMALL AND MEDIUM- SIZED FIRMS	2,374	2,392
AGRICULTURE, FORESTRY AND FISHERY	697	722
LAND CONSERVATION/DISASTER RECONSTRUCTION	171	243
ROADS	1,014	1,052
TRANSPORTATION AND COMMUNICATIONS	1,420	1,611
REGIONAL DEVELOPMENT PROGRAMS	361	374
AID TO BASIC INDUSTRY	405	408
FOREIGN TRADE AND ECONOMIC COOPERATION	948	1,007
MANSFIELD		

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## Message Attributes

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**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CABINET, BUDGETS  
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**Enclosure:** n/a  
**Executive Order:** N/A  
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**Office:** ACTION EA  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 TOKYO 19718  
**Retention:** 0  
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**Review Release Event:** n/a  
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**SAS ID:** 134158  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CABINET APPROVES JFY 1978 BUDGET  
**TAGS:** EFIN, JA  
**To:** STATE TRSY  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009